

TO: Board Members

THROUGH: Kevin Patteson, Executive Administrator

FROM: Amanda Landry, Chief Financial Officer

DATE: June 29, 2015

SUBJECT: Briefing, discussion and consider selecting a firm to serve as trustee under the trust indentures for the State Water Implementation Revenue Fund for Texas (SWIRFT) bonds; and authorizing the Executive Administrator to negotiate and enter into contracts for these services.

ACTION REQUESTED

Consider the selection of BNY Mellon to serve as trustee under the trust indentures for the SWIRFT bonds and authorize the Executive Administrator to negotiate and enter into any and all necessary agreements for trustee services.

BACKGROUND

On June 2, 2015, the TWDB posted a Request for Proposals (RFP) on the Electronic State Business Daily seeking responses from qualified respondents to serve as trustee under the trust indentures for the SWIRFT bonds. The SWIRFT is a pooled loan program that finances infrastructure loans for State Water Plan projects to governmental entities within the State of Texas.

KEY ISSUES

TWDB received responses from the following three firms:

- Wells Fargo Bank, N.A., Corporate Trust Services
- Bank of New York Mellon Trust Company, N.A. (BNY Mellon)
- BOKF, NA (BOK Financial Corporation)

Staff reviewed, evaluated, scored and ranked the applications considering the following factors that were posted in the RFP:

- Qualifications and Experience
- Information Access
- Pooled Investments
- Experience and accessibility of personnel to perform services
- Fees

Our Mission

To provide leadership, information, education, and support for planning, financial assistance, and outreach for the conservation and responsible development of water for Texas

Board Members

Bech Bruun, Chairman | Carlos Rubinstein, Member | Kathleen Jackson, Member
Kevin Patteson, Executive Administrator

RECOMMENDATION

Staff recommends that the Board select Bank of New York Mellon Trust Company, N.A. (BNY Mellon) to serve as trustee and further authorize the Executive Administrator to negotiate and enter into any and all necessary agreements for trustee services.

The Executive Administrator recommends approval of this item.

This recommendation has been reviewed by legal counsel and complies with all applicable statutes and TWDB rules.

Les Trobman, General Counsel